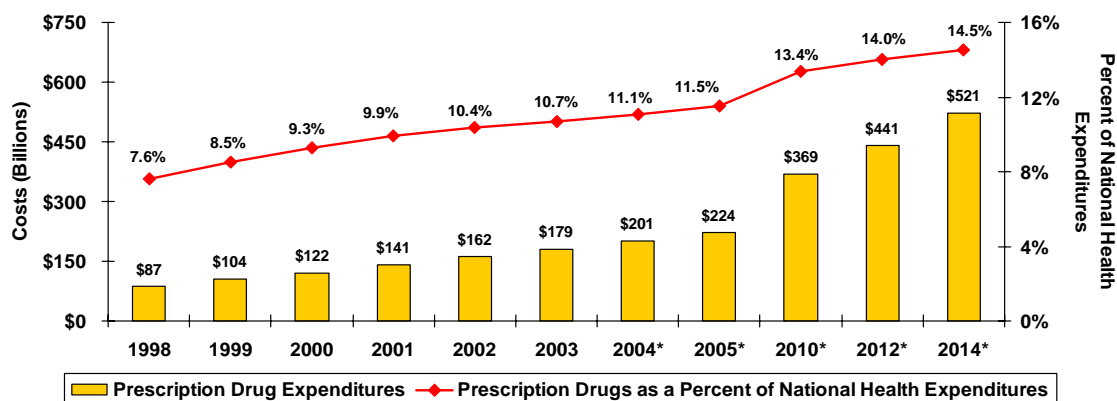


IMPLEMENTATION OF PART D THE PHYSICIAN'S PERSPECTIVE

Well it happened; we launched the biggest federal healthcare program since the original Medicare program was began in 1966. A 720 Billion dollar program, open to the 41 million people who currently qualify for benefits under the Medicare program. As required by the statute that created the benefit we started to fill prescriptions before the sun rose on January 1st. In fact Part D beneficiaries filled 6.5 million prescriptions in the first 10 days of January. Was it easy? No. Did it work smoothly in every case? No. But even in those first few chaotic days of beneficiaries without paperwork, flawed databases and overworked pharmacists the vast majority of patients got their medicines. Let's start by thanking the pharmacists, physicians and other providers, the patient patients, the computer technicians and all the people who rolled up their sleeves and persevered.

Now we are a month and a half into the benefit and we can start to work on the parts of the program that doctors and other prescribers find burdensome. Our weekly national provider conference calls and our work with the AMA and the specialty societies have given us a short list of issues. 1) Prior approvals and exceptions are burdensome, the number of drugs affected must be minimized and the process streamlined. 2) Multiple formularies are hard to keep straight 3) Multiple forms, plan specific and drug specific add to the complexity. Let's look at each of these issues and some solutions.

Drug spending has been increasing at 13 to 14 percent per year. We hope that the PDPs will be able to moderate this growth. They can only achieve this by altering physician prescribing practices, and tiers and prior approvals are the only effective tools they have to modify what happens when the tip of the pen comes into contact with the prescription pad.



For this reason prior approvals and tiers are not going to disappear but we have discovered that a large percentage of them were imposed because of plan concerns about inadvertently paying for a drug that should have been paid for by part B. We have taken steps to make these prior approvals go away. The prior approval for a three dollar prescription for prednisone should soon be a thing of the past.

Physicians and other prescribers, particularly those practicing in urban areas must contend with multiple formularies. These formularies are accessible through the CMS website but the simplest way to make sure your prescribing patterns comply as much as possible with the patient's formulary is by using the free software from epocrates (www.epocrates.com). This software can be loaded into a PDA or used on an internet connected desktop. Not only will it give you the formulary information for a drug you select but it will recommend other drugs which are more favored on the formulary in question. We are working with epocrates to make this tool even more useful in the near future.

The final issue to discuss in this article is the task of obtaining the appropriate form when a prior approval or exception must be requested. We are working to expand the use of a standard form we have developed for the majority of requests but some drugs require a drug specific, disease specific form to collect clinical information necessary to justify the prescription. We have instructed all plans that by March 28th they must have all of their forms accessible on one webpage. As soon as that work has been completed we will list the URLs for those pages on the CMS website. Office staff will be able to go to the website, download and print the form and place it on the patient chart so that the doctor can complete the form during the patient encounter. Once completed the form can be faxed to the plan thereby avoiding a time consuming phone call.

There are many other ways that CMS can reduce the administrative burden part D has imposed on doctor's offices. We are interested in hearing from you. You are welcome to join our provider's conference

call next Tuesday at 2:00 PM Eastern time. The number is 1-800-619-2457 and the pass code is RBDML. Provider issues can also be communicated with us by email, our address is PRIT@cms.hhs.gov. We are grateful to the provider community for their patience and hard work and we promise to work just as hard to minimize the impact Part D has on the efficient operation of your practice.

Dr. Rogers is Director of the Physician Regulatory Issues Team within CMS.